

# Apr 1, 2014 thru Jun 30, 2014 Performance Report

**Grant Number:**

B-08-UN-06-0506

**Grantee Name:**

San Diego County, CA

**Grant Award Amount:**

\$5,144,152.00

**Obligation Date:**

03/04/2009

**LOCCS Authorized Amount:**

\$5,144,152.00

**Award Date:**

03/03/2009

**Estimated PI/RL Funds:**

\$0.00

**Contract End Date:****Total Budget:**

\$5,144,152.00

**Reviewed By HUD:**

Original - In Progress

**Grant Status:**

Active

**QPR Contact:**

Maria Cavarlez

Disasters:

**Declaration Number**

NSP

**Areas of Greatest Need:**

This Action Plan is for the CDBG Neighborhood Stabilization Program Grant.

**INTRODUCTION** On July 30, 2008, Congress passed the Housing and Economic Recovery Act that appropriated \$3.92 billion of CDBG funds nationwide for emergency assistance for foreclosed or abandoned properties. On September 29, 2008, this \$3.92 billion was allocated to local and state jurisdictions by the U.S. Department of Housing and Urban Development (HUD), establishing the Neighborhood Stabilization Program (NSP). The County of San Diego's CDBG jurisdiction was allocated \$5,144,152 in grant funds. The County's jurisdiction includes the geographically large unincorporated area and the participating cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway and Solana Beach. These grant funds are intended for the acquisition of foreclosed or abandoned properties that could be sources of blight within community. The County of San Diego's Department of Housing and Community Development (HCD) will administer the County's allocation of these funds. The strategy developed by the County of San Diego for the use of these funds will: 1. Create homebuyer opportunities for income eligible households to purchase foreclosed or abandoned homes; 2. Provide funds for the rehabilitation of foreclosed or abandoned homes purchased through this program with an emphasis on improvements resulting in increased energy efficiency and conservation

of natural resources; 3. Provide funds to non-profit organizations and/or housing developers to purchase foreclosed or abandoned properties for rental units for income eligible households and/or special needs households. Administration for the NSP program for the target areas of unincorporated San Diego County and the cities of Coronado, Solana Beach, Del Mar, Poway, Imperial Beach, and Lemon Grove.

## **Distribution and Uses of Funds:**

**A. AREAS OF GREATEST NEED** To determine the geographic areas of greatest NSP need, data provided by HUD and local data from DataQuick Information Systems was utilized.

**B. DISTRIBUTION AND USES OF FUNDS** Target areas with the greatest percentage of home foreclosures by community were identified by evaluating current local data from DataQuick Information Systems. Targeted communities include: Campo, Spring Valley, Jacumba, Lemon Grove, Boulevard, Pine Valley, Ranchita, Guatay, Dulzura, Bonsall, Valley Center, Imperial Beach, Lakeside, Palomar Mountain, Pauma Valley, Ramona, Fallbrook, Lincoln Acres, Bonita, Potrero, and Alpine.

The NSP funds will be used to provide assistance to low, moderate, and middle income (LMMI) homebuyers to purchase and rehabilitate foreclosed or abandoned properties. At least 25% of the NSP grant will be used to benefit low income households in the target areas.

**Rental Acquisition, Development, and Rehabilitation Program:** Housing acquired, developed, or rehabilitated with NSP funds for the purpose of providing permanent housing for LMMI individuals or families must be maintained as affordable housing for a period of 15 years and, in the case of rental properties, restrictive covenants will be placed on the title of the properties, which will hold a superior position to all liens and encumbrances.

The County of San Diego will target rehabilitation funds to improvements that will improve conservation and energy savings. All rehabilitation will be performed under the supervision of a licensed contractor in compliance with all local code requirements.

**C. LOW INCOME TARGETING** The amount of the NSP funds targeted to low-income households will be no less than \$1,286,038, which is 25% of the total NSP allocation.

**D. ACQUISITIONS & RELOCATION** The County of San Diego does not intend to demolish or convert low- and moderate income dwelling units with NSP funds.

## **E. ACTIVITIES**

**NSP Downpayment/Closing Cost Assistance and Rehabilitation Program**

(1) Activity Name: NSP Downpayment/Closing Cost Assistance and Rehabilitation Program (DCCAR)

(2) Activity Type: This NSP activity provides funds for the purchase of abandoned or foreclosed homes in the targeted areas for low, moderate, or middle income households.

(3) National Objective: This activity will benefit low, moderate and middle income persons as defined in the NSP Notice.

The NSP funds will be targeted to the areas of greatest need. The NSP DCCAR will benefit income-qualified persons by allowing them to purchase homes that they may not otherwise qualify to purchase and to provide rehabilitation funds for conservation and energy savings improvements to these homes. This program will allow eligible homebuyers with incomes up to 120% of the local area median income, as adjusted by household size, to purchase homes.

The NSP DCCAR loans are forgivable after 15 years, provided eligible homebuyers continue to occupy the homes as their primary residences, do not refinance for cash out purposes, and comply with all loan requirements.

NSP Affordable Housing Acquisition, Rehabilitation and Development Program

- (1) Activity Name: NSP Affordable Housing Acquisition, Rehabilitation, and Development Program
- (2) Activity Type: This NSP activity type is for the purchase, rehabilitation, and redevelopment of homes and residential properties.
- (3) National Objective: The National Objective for this activity is to provide housing for households at or below 120% of the area median income.
- (4) Activity Description: This activity will provide NSP funds to eligible non-profit agencies and developers to acquire, develop, and rehabilitate eligible foreclosed properties to provide long-term affordable housing for eligible individuals and families with priority for projects that benefit households with incomes at or below 50% of the area median income.

All properties acquired under this activity with NSP funds will have restrictive covenants for a mandatory 15 year affordability period for the agreed upon project affordability levels. The funds will be issued as loans, but the loans will be forgiven after 15 years, providing all loan and program terms are complied with.

NSP Administration

- (1) Activity Name: NSP Administration
- (2) Activity Type: NSP-grant administration HERA Section 2301 (e ) 2; CDBG grant administration 24 CFR 570.489(a)(i) is superseded by HERA.
- (3) National Objective: Not required for administration.
- (4) Activity Description: This activity is grant administration.

Definitions and Descriptions:

Low Income Targeting:

Acquisition and Relocation:

Public Comment:

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	5,144,152
Total Budget	0	5,144,152
Total Obligated	\$0.00	\$5,144,152.00

<b>Total Funds Drawdown</b>	\$0.00	\$5,028,328.47
<b>Program Funds Drawdown</b>	\$0.00	\$5,028,328.47
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$5,028,328.47
<b>Match Contributed</b>	\$0.00	\$0.00

Progress Toward Required Numeric Targets

<b>Requirement</b>	<b>Required</b>	<b>To Date</b>
<b>Overall Benefit Percentage (Projected):</b>		0%
<b>Overall Benefit Percentage (Actual):</b>		0%
<b>Minimum Non-Federal Match</b>	0	0
<b>Limit on Public Services</b>	771,622.8	0
<b>Limit on Admin/Planning</b>	514,415.2	457,860.33
<b>Limit on State Admin</b>	0	457,860.33

Progress Toward Activity Type Targets

<b>Activity Type</b>	<b>Target</b>	<b>Actual</b>
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Progress Toward National Objective Targets

<b>National Objective</b>	<b>Target</b>	<b>Actual</b>
<b>NSP Only - LH - 25% Set-Aside</b>	1,286,038	4,520,546

Overall Progress Narrative:

No draws occurred during the reporting period of April 1, 2014 to June 30, 2014. The County of San Diego's final NSP1 QPR was submitted during the reporting period of January 1, 2013 to March 3, 2013 (grant deadline). A total of \$20,075.85 was drawn in DRGR during the final quarter of January-March 2013. County HCD obligated all NSP1 funds as of the July-September 2010 reporting period. County HCD's final NSP 12A NOFA expired on February 15, 2013. This final NOFA was issued as an effort to expend remaining NSP1 NOFA completed balances. No applications were received. NSP1 2A NOFA completed balance funds of \$87,577.86 remain as of grant expiration. NSP1 3A administrative funds of \$28,245.67 remain as of grant expiration. County HCD requested HUD approval to expend the remaining \$28,245.67 in administrative funds as part of the closeout process and ongoing monitoring responsibilities. County HCD has also requested instruction from HUD on receipt and processing of program income. At this time, a closeout agreement is pending from HUD.

Project Summary

<b>Project#, Project Title</b>	<b>This Report Period</b>	<b>To Date</b>	
	<b>Program Funds Drawdown</b>	<b>Project Funds Budgeted</b>	<b>Program Funds Drawdown</b>
<b>1A, 1A NSP Homeownership</b>	0	137,500	137,500
<b>2A, 2A NOFA</b>	0	4,520,546	4,432,968.14
<b>3A, 3A NSP Administration</b>	0	486,106	457,860.33
<b>9999, Restricted Balance</b>	0	0	0

## Project/Activity Index:

Project #	Project Title	Grantee Activity #	Activity Title
<a href="#">1A</a>	<a href="#">1A NSP Homeownership</a>	<a href="#">1</a>	<a href="#">1</a>
<a href="#">1A</a>	<a href="#">1A NSP Homeownership</a>	<a href="#">1A Homeownership</a>	<a href="#">1A Homeownership</a>
<a href="#">2A</a>	<a href="#">2A NOFA</a>	<a href="#">2-00-NOFA Rental-H</a>	<a href="#">2-00-NOFA Rental-Hitzke</a>
<a href="#">2A</a>	<a href="#">2A NOFA</a>	<a href="#">2-00-NOFA Rental-N</a>	<a href="#">2-00-NOFA RENTAL-NCSC</a>
<a href="#">2A</a>	<a href="#">2A NOFA</a>	<a href="#">2-01-1013636-DOUGHERTY-ACQ</a>	<a href="#">2-01-1013636-DOUGHERTY-ACQ</a>
<a href="#">2A</a>	<a href="#">2A NOFA</a>	<a href="#">2-01-1013636-DOUGHERTY-REH</a>	<a href="#">2-01-1013636-DOUGHERTY-REH</a>
<a href="#">2A</a>	<a href="#">2A NOFA</a>	<a href="#">2A NOFA Rental-H</a>	<a href="#">2A NOFA Rental</a>
<a href="#">2A</a>	<a href="#">2A NOFA</a>	<a href="#">2A NOFA Rental-N</a>	<a href="#">2A NOFA Rental-NCSC</a>
<a href="#">3A</a>	<a href="#">3A NSP Administration</a>	<a href="#">3</a>	<a href="#">3</a>
<a href="#">3A</a>	<a href="#">3A NSP Administration</a>	<a href="#">3A NSP Administration</a>	<a href="#">3A NSP Administration</a>

## Activities

## Review Checklist History

Status	Date	Action
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